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President: Ms. Chatardova ..... (Czechia)

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The meeting was called to order at 3.10 p.m.

Agenda item 5: High-level segment (*continued*) (E/2018/61)

(c) Development Cooperation Forum (*continued*) (E/2018/51 and E/2018/55)

Session 6: "Strengthening multi-layered review and assessment of development cooperation: What works?"

1. **Mr. Hanif** (Director, Financing for Sustainable Development Office, Department of Economic and Social Affairs), moderator, said that the panel discussion would focus on results on the ground and how they were making a difference in development cooperation; that, however, could only be established with the right parameters for measuring results, functionally inclusive structures, high-quality data, and credible and clearly measurable monitoring mechanisms. The process would entail identifying goals and establishing a policy framework, a framework for measuring achievements and platforms to bring actors together.

2. Since the opening of the Development Cooperation Forum that morning, one message had been clear: the Sustainable Development Goals were, in one sense, overwhelming. While its all-inclusive scope was one of the strengths of the 2030 Agenda for Sustainable Development, that also placed demands on policymaking and national institutions, especially public institutions. The Agenda would have to be translated into something the public could understand and would be willing to embrace. Those and other challenges would be addressed in Session 6 on strengthening multi-layered review and assessment of development cooperation and what worked. The panel discussion would cover a very diverse set of perspectives, measurements and results. The first speaker would provide a perspective from Africa encompassing the African peer review mechanism and the framework agreement between the United Nations and the African Union on implementation of their sustainable development agendas.

3. **Mr. Hamam** (Director, Office of the Special Adviser on Africa), panellist, said that the strong alignment between the African Union Agenda 2063 — a 50-year vision for the socioeconomic transformation of Africa — and the Sustainable Development Goals had laid a solid foundation for integrated and coordinated follow-up and review of the two Agendas. To fully harness that alignment, African countries had adopted a single monitoring and evaluation framework and common reporting architecture; integrated all the goals and targets of both Agendas into their national development plans; and, in January 2017, expanded the mandate of the African peer review mechanism to monitor the implementation of the governance aspects of both Agendas.

4. The United Nations system had been fully supportive of African countries' efforts to build their monitoring and reporting capacity with a view to tracking progress in the implementation of both the Sustainable Development Goals and Agenda 2063. In particular, the United Nations, in collaboration with the Economic Commission for Africa (ECA), had supported the convening of the annual African regional sustainable development forum to help African Governments and other stakeholders track progress and mobilize support and concrete actions for implementation of the two Agendas. In that regard, building on the African regional forum, the presentation of annual voluntary national reviews in the high-level political forum on sustainable development facilitated the sharing of experiences, successes, challenges and lessons learned. African participation in the July 2017 session of the high-level political forum had been strong; 11African countries would present voluntary national reviews in the July 2018 forum to share their experiences in implementing the Sustainable Development Goals.

5. The Office of the Special Adviser had been working closely with the African Union Commission and ECA to support the effective participation of African countries in the voluntary national review process, including through the convening of workshops to discuss progress and common challenges. The Office of the Special Adviser on Africa had also been involved in and supported the review process of the Addis Ababa Action Agenda of the Third International Conference on Financing for Development, including its contributions to the Inter-Agency Task Force on Financing for Development, focusing on issues of particular interest to Africa such as trade, market access, the fulfilmen: of official development assistance (ODA) commitments, remittances, curbing illicit financial flows and climate finance commitments.

6. In addition, the United Nations monitoring mechanism established by General Assembly resolution 66/293, to which the Office of the Special Adviser served as secretariat, represented a unique universal mechanism that could provide vital input to the global follow-up and review of progress made towards the Sustainable Development Goals and their financing frameworks, including with regard to development cooperation commitments. The work of the United Nations monitoring mechanism also helped to enhance the follow-up and review of South-South cooperation, a topic that would be addressed during the panel

discussion. The United Nations monitoring mechanism covered analysis of cooperation not only between Africa and its traditional partners but also between Africa and its new and emerging development partners.

7. Lastly, the recently signed African Union-United Nations framework for the implementation of Agenda 2063 and the 2030 Agenda for Sustainable Development was aimed at accelerating not only integrated and coordinated implementation, but also monitoring of, and reporting on, the two Agendas through joint activities and programmes implemented by both organizations. Strengthening capacities for integrated planning and reporting, and support for building the capacity of national data systems, were among the key areas covered by the framework.

8. **Mr. Hanif** (Director, Financing for Sustainable Development Office, Department of Economic and Social Affairs) asked how the voluntary national reviews presented in the high-level political forum contributed to planning and results measurement at the national level. He would be interested in hearing additional details on the African peer review mechanism later in the discussion. As development cooperation moved beyond ODA to include South-South cooperation and the private sector, South-South cooperation not only had its own very well-defined principles and features but a qualitative aspect as well. The next speaker would describe how an Ibero-American initiative in Latin America had produced a framework for measuring the impact of South-South cooperation and its contribution to countries' overall development.

9. **Ms. Ciuti** (Director General for International Cooperation, Ministry of Foreign Affairs and Worship of Argentina; and Chair, Intergovernmental Council of the Ibero-American Program for the Strengthening of South-South Cooperation), panellist, said that in her capacity as Director General for International Cooperation, she would participate in the organization of the Second High-level United Nations Conference on South-South Cooperation scheduled for March 2019 and was a member of the Development Working Group chaired by Argentina in the Group of 20 (G-20). The work of the Ibero-American Programme reflected a consensus among 20 countries at different levels of development; it was carried out by all the countries of Latin America along with countries of the North, such as Spain and Portugal. The Programme's main goals were to promote interregional dialogue and technical and methodological initiatives designed to achieve progress on specific issues, including South-South cooperation.

10. The Program secretariat rotated every three years; before Argentina, it had been held by Colombia, Uruguay and El Salvador, though no single country was allowed to act as administrator in order to allow space for the involvement of the entire community at all times. An intergovernmental council served as a decision-making body. In a multilateral moment, groundwork done in Argentina had helped the Ibero-American Program to accelerate its work on South-South cooperation and would provide input to the 2019 conference in Buenos Aires. Indeed, the world's only reporting system on South-South cooperation had originated in Buenos Aires to fulfil Ibero-American requirements; the tenth such report had just been issued.

11. On the Ibero-American Programme platform, managed by the secretariat, countries had been sharing data and registering cooperation initiatives over the past 10 years: South-South cooperation initiatives had grown in number from six in the first report to 7,000 in the most recent report. Countries made additions to a roster of cooperation projects over a specific time period, uploading quantitative and qualitative data, indicators, and information on the effect of South-South cooperation on achievement of the 17 Sustainable Development Goals in Latin America. The integrated system, which was being prepared to enter into dialogues with other systems, was a very valuable tool which the Ibero-American Program would like to share with other regions. Despite those significant achievements, Program participants were constantly reflecting on how to improve.

12. **Mr. Hanif** (Director, Financing for Sustainable Development Office, Department of Economic and Social Affairs) noted that 40 years after the adoption of the 1978 Buenos Aires Plan of Action, the scale and scope of South-South cooperation had changed significantly, if not dramatically.

13. **Ms. Nicholls** (Canada), commending the Ibero-American Program for its impressive achievements, asked whether coordination was a challenge. She wondered what steps were being taken to build capacity to execute South-South and triangular cooperation initiatives at the country level.

14. **Mr. Hanif** (Director, Financing for Sustainable Development Office, Department of Economic and Social Affairs) asked whether South-South cooperation partners had come to a common understanding on a framework for analysing delivery mechanisms and output, and how they had overcome the difficulties of that challenge. Was there a rigorous analytical framework where all input was analysed through one set of measurements?

15. **Ms. Ciuti** (Director General for International Cooperation, Ministry of Foreign Affairs and Worship of Argentina; and Chair, Intergovernmental Council of the Ibero-American Program for the Strengthening of South-South Cooperation) said that under a complex arrangement, every country had to upload a report on the platform within a certain time period; that information was then validated by experts or government officials. Sometimes two countries engaged in reciprocal validation of their reports, as Argentina and Ecuador had recently done; in general, it was more valuable to consult another country than a private contractor who might lack awareness of the political context. The platform and overall report combined provided an indication of how cooperation had contributed to the implementation of the 2030 Agenda.

16. **Mr. Hamam** (Director, Office of the Special Adviser on Africa), said that the African peer review mechanism had been adopted in 2003 to complement the New Partnership for Africa's Development (NEPAD) — the first African-driven, African-led socioeconomic development framework. Countries joined the peer review voluntarily to monitor their political, economic, corporate and socioeconomic governance and assess their social and economic progress. Currently, about 35–40 countries participated in that process; country reviews were conducted by a panel of eminent personalities based on a number of governance indicators and then submitted to the African Peer Review Mechanism Forum of Heads of State and Government, which issued recommendations to be incorporated into a national programme of action.

17. **Mr. Rauben** (Observer for Uganda), noting that, over time, the nature of South-South cooperation had changed significantly, warned against conflating South-South cooperation with cooperation between countries of the South. An action that took place in countries of the South could merely constitute bilateral cooperation without necessarily qualifying as South-South cooperation, which was defined by specific principles and criteria.

18. **Mr. Correa** (Observer for Brazil), stressing the importance of measurements and evaluation in South-South cooperation, as well as the learning curve involved, said that without investing specific effort in improving programme and project design, including base lines and indicators, effective evaluation of activities would be difficult. Building the capacity of focal points of South-South cooperation would be a major challenge.

19. **Mr. Conte** (Observer for Guinea) asked whether simultaneous implementation of the 2030 Agenda and the 2063 Agenda could be effective, and whether their coexistence would interfere with accurate measurement of the impact of each one. He also wished to know which African countries would be presenting voluntary national reviews in the July 2018 high-level political forum.

20. **Mr. Asthana** (India) said that the need to formalize South-South cooperation had only become pressing with the continuous decline in ODA over the past decade. In the heterogeneous and extremely diverse map of the countries of the South, a one-size-fits-all, standardized or uniform accounting system was neither desirable nor practical. Accounting standards adopted by any country of the South that conformed to the non-negotiable principles of South-South cooperation, were built upon the philosophy of international cooperation, and ensured transparency and the transfer of resources and expertise between two or more countries of the South were the sole concern of those countries and in absolutely no way the concern of the traditional North.

21. **Mr. Motter** (Observer for the Inter-Parliamentary Union) asked whether the countries of the South had adopted and applied a definition of tied aid other than the definition which the Organization for Economic Cooperation and Development (OECD) prescribed for its Global Partnership for Effective Development Cooperation. If so, what would be the best source for determining the percentage of South-South cooperation that could qualify as tied aid?

22. **Ms. Ciuti** (Director General for International Cooperation, Ministry of Foreign Affairs and Worship of Argentina; and Chair, Intergovernmental Council of the Ibero-American Program for the Strengthening of South-South Cooperation) said that Brazil had a precise methodology for measuring the impact of South-South cooperation projects which Argentina and the other Ibero-American countries were in the process of learning. Chile and Mexico, too, had highly developed methodologies for determining impact. The principles of South-South cooperation, including solidarity among the countries of the South, respect for national sovereignty, equality, non-interference in domestic affairs and mutual benefit, had been highlighted in a regional dialogue. The expansion and development of South-South cooperation was so advanced that already, a consensus was beginning to form on some aspects of a potential common measurement system. Cooperation modalities might differ but the objective was the same: development.

23. **Mr. Hamam** (Director, Office of the Special Adviser on Africa) said that in elaborating the 2063

Agenda, African countries had agreed on a common African position to ensure that Africans were involved in the negotiations on the 2030 Agenda. As the common African position was largely derived from Agenda 2063, the alignment, synergy and coordination between the goals and targets of the two Agendas had enabled African ministers of finance to agree on a single monitoring framework and common reporting mechanism.

24. **Mr. Hanif** (Director, Financing for Sustainable Development Office, Department of Economic and Social Affairs) said that the next speaker, Ms. Demers, would discuss the recent entrance of impact investing into the development cooperation framework. Significant private financial flows would be needed to achieve the Sustainable Development Goals. Other frameworks were not designed to capture the impact that the private sector was making on development goals and sustainability objectives. In that connection, he enquired about the incidence of greenwashing. He also wondered whether there was a long-term horizon for returns on investments in sustainability and the betterment of society.

25. **Ms. Demers** (Founder and Chief Executive Officer of Boundless Impact Investing), panellist, said that she would be speaking about private-sector engagement in development, monitoring and evaluation of impact investing, and how public-private partnerships could help poor communities to build or reconstruct critical infrastructure. Her company, Boundless Impact Investing, sought to channel more private capital into innovative, broader and more scalable solutions to major social and environmental challenges. Over the past decade, government interventions and the shortcomings of traditional philanthropy had given rise to a new generation of investment strategies aimed at tackling the world's biggest problems. That unique class of forward-thinking private investors was creatively financing new companies, funds, and projects with the aim of accelerating social progress as the world's problems continued to spiral out of control. The values-based investing market comprised sustainable investing; environmental, social and governance factors; socially responsible investing; shareholder advocacy; corporate engagement; and impact investing, namely, harnessing the power of markets and social entrepreneurship to initiate and accelerate larger-scale changes. Values-based investing accounted for an estimated $23 trillion in assets.

26. The values-based investing movement had begun more than 30 years earlier with socially responsible investing, rooted in the idea of concessionary returns — in other words, that investors must forgo some returns in order to advance environmental or social change. In socially responsible investment, companies deemed to be detrimental to society or bad actors were screened out. Recently, the movement had shifted to more positive screening, also recognizing affirmative behaviour and good actors known for their strong environmental, social and governance practices. As the concept of investing through a social or environmental lens had matured, values-based investing had grown to identify business models that were of value to society, promoting social or environmental change and driving market-rate financial returns.

27. She wished to emphasize the importance of terminology, as sustainable investing was different from impact investing. While abusive greenwashing was indeed a problem in the market, her firm was tightly focused on impact investing in the belief that product impact — for example, a solar company that clearly had an environmental outcome or an educational technology company helping children to learn mathematics — was more easily verifiable than operational impact in which a company was claiming to adhere to certain environmental, social and governance principles.

28. As for the importance of data in measurement, there had been an explosion in the volume and speed with which data was produced, disseminated and analysed, increasing investors' ability to determine the effects of their investments. As those effects became more transparent and easier to measure, holding companies accountable for their economic and environmental effects would become more straightforward. At the moment, however, data was not always reliable because companies reported on their behaviour rather than being measured against objective criteria. The advantage of a more data-driven approach based on mobile phone records or an individual's buying records was that objective tracking of behaviour and change would ultimately replace frameworks reliant on subjective self-reported data. In that connection, she stressed the need to shift to a more systematic, quantitative approach to collecting data.

29. **Mr. Hanif** (Director, Financing for Sustainable Development Office, Department of Economic and Social Affairs) said that he remained sceptical, as there were only 400 matrices for reporting environmental, social and governance investments in the Securities and Exchange Commission, and 67 per cent of investment managers had expressed a preference for short-term investments, unable even to contemplate long-term horizons. He asked Mr. Malhotra about the work of his OECD Division and its impact at the country level.

30. **Mr. Malhotra** (Head of the Division for Reviews, Results, Evaluation and Development Innovation, Organization for Economic Cooperation and Development), panellist, said that in keeping with the objective of Session 6, the discussion should focus not only on flows and financing for development, but also, and more importantly, on results and impact both at the national level and in the context of partnerships and global review and assessment. Currently, development partners aligned with and supported country-driven data collection, monitoring and evaluation frameworks; ideally, however, development cooperation should be driven by a common results framework for countries and their development partners. The OECD results community comprised not only Development Assistance Committee (DAC) members but partner countries as well. Going forward, country-level evidence would help determine whether the Sustainable Development Goals should form the basis for national results frameworks.

31. At the partnership level, including with regard to multi-stakeholder partnerships, behaviours, quality, effectiveness and results must be examined alongside norms, standards and knowledge exchange. The challenge in the OECD results-driven approach was determining which partner was best able to support the delivery of a particular result. It would thus be important to devise measures for assessing some of that additionality — for example, delivery of better and faster results, or more effectively reaching those furthest behind.

32. As for the global architecture, the scope and coverage of various review and assessment mechanisms differed. Some emphasized good practice, while others applied benchmarks and soft law to development cooperation; some were voluntary and others were obligatory. Coverage ranged from regional mechanisms, such as the African peer review mechanism, the sophisticated monitoring and review mechanism of the Asia-Pacific Forum on Sustainable Development and the learning forums of regional development banks to multilateral mechanisms such as the Multilateral Organisation Performance Assessment Network (MOPAN), review and assessment mechanisms that covered different blocks (the OECD/DAC peer review and South-South mechanisms), to global monitoring of effective development cooperation, for example, the voluntary national reviews on the Sustainable Development Goals presented in the high-level political forum and thematic-focused review and assessment mechanisms. In that mix, there was a case for retaining very specific and tailored mechanisms but there was also a very strong case for periodically bringing some of those mechanisms together to compare methodologies. He would therefore recommend creating an exchange platform for aligning different mechanisms behind the 2030 Agenda, and fostering mutual accountability and learning across the global community.

33. **Mr. Hanif** (Director, Financing for Sustainable Development Office, Department of Economic and Social Affairs) said that the Development Cooperation Forum was a space for mutual learning among various intergovernmental and United Nations mechanisms, where all actors could discuss what they were doing and their contribution to achieving the Sustainable Development Goals.

34. **Ms. Palomares** (Global Secretariat Coordinator, Reality of Aid Network), invited speaker, referring to the 2017/2018 Global Accountability Survey of the Development Cooperation Forum, said that the number of countries with development cooperation information systems in place was encouraging. However, she pointed to gaps in the scope of systems more skewed towards input than outputs and results, which, as many panellists had already said, should be a greater priority. Civil society organizations played a critical role in that regard, because citizens, whether as individuals or through their organized forums in civil society, were active generators of reliable data from the ground and in the communities that could supplement and sometimes even challenge existing official data. Experiential knowledge of citizens in civil society was a critical tool for measuring results and improving the delivery of development cooperation

35. The Reality of Aid produced research through global reports on development aid and cooperation that assessed the effectiveness of policies and various modalities of development cooperation from a unique civil society perspective. For example, with respect to private sector resources in support of the Sustainable Development Goals, it examined regulatory standards and accountability mechanisms designed to ensure coherence with sustainable development objectives. Reality of Aid also documented the impact of development cooperation on poor communities in developing countries and of private-sector involvement — whether by firms and businesses from the proprietor country or micro-, small and medium-sized enterprises that could help boost the local economy.

36. Civil society organizations also contributed to monitoring and strengthening a human rights-based approach in development cooperation, and had organized side events on that issue during the Council's current session. That approach helped to shift the focus away from economic growth and more toward a holistic appreciation of the multiple and interrelated dimensions

of human development, in which development cooperation was viewed as a process and people were able to achieve their full potential by realizing their human rights.

37. A human rights-based approach to development cooperation required the participation of rights holders in the decision-making process; people must be empowered to claim their rights rather than being treated as passive recipients of development aid and cooperation. Efforts should be refocused on strengthening the human rights-based approach in the monitoring and review of development cooperation, especially as follow-up and review of the 2030 Agenda was supposed to be people-centred.

38. **Ms. Demers** (Founder and Chief Executive Officer of Boundless Impact Investing) said that while the moderator's scepticism was understandable, she believed the data revolution was helping to create new standards for corporate behaviour. Already, it was becoming possible to demonstrate scientifically a correlation between responsible growth, social inclusivity, and environmental behaviour that minimized volatility and mitigated risks. Companies that promoted the Sustainable Development Goals would prove to be more appealing to investors. She firmly believed that that was why sustainable investing had generated so much public enthusiasm.

39. Technology was indeed changing the world but change was imperative in the face of population growth and environmental and other changes. Many new industries were emerging in response to those challenges. For example, solar energy, waste-to-energy and alternative protein industries were booming, and where there had once been one or two types of veggie burger in the grocery aisle, there were now 15. In yet another initiative, methane gas was extracted from agricultural waste and, through a fermentation process, converted it into a single-cell protein food for fish farms, which now provided half the global fish supply. And education technology, health care, and a huge number of new industries would become public companies and grow exponentially.

40. **Mr. Hanif** (Director, Financing for Sustainable Development Office, Department of Economic and Social Affairs) expressed concern about the time lag between public policy and implementation. While monitoring and evaluation should be targeted to achieve behavior modification and a change in mindsets, neither current private sector incentive structures nor regulatory requirements had reached that stage.

41. He also wondered whether responsible investors should have to forgo a part of their profit. In his opinion, vanilla investments and responsible investments should be on a par. That should be the objective of incentive structures and public-private monitoring and accountability frameworks. He noted that 80 per cent of the women participating in a McKinsey survey had expressed a desire to invest responsibly; 82 per cent of millennials were wary of investing pension funds or income in irresponsible companies. Those were the groups on the horizon for change — women and millennials. He wondered whether Governments, and even the United Nations, were prepared to take on that challenge.

42. **Ms. Demers** (Founder and Chief Executive Officer of Boundless Impact Investing) replied that incentive structures were changing but not overnight. Change happened slowly, but it was happening.

43. **Mr. Asthana** (India) said that any review of development cooperation must be carried out strictly in accordance with resolutions adopted by States Members of the United Nations as an intergovernmental body.

44. **Mr. Hanif** (Director, Financing for Sustainable Development Office, Department of Economic and Social Affairs) asked Mr. Malhotra about the obstacles countries faced in basing national development frameworks and performance evaluation on the Sustainable Development Goals. That was a challenge for both donor and recipient countries. He wondered what had been achieved thus far.

45. **Mr. Malhotra** (Head of the Division for Reviews, Results, Evaluation and Development Innovation, Organization for Economic Cooperation and Development) said that his Division had seen quite a mix of experiences. In DAC countries subject to the OECD five-year peer review mechanism, the pace of change very much mirrored the pace of domestic planning around the Sustainable Development Goals as well as coordinating institutions and structures. Even in countries where the pace of change was slower, however, there was increasing evidence of a commitment to align with the Goals, including at the partner country level. Creation of an evidence base would help both partner countries and DAC countries to further align behind the Sustainable Development Goals as the basis for a common results framework.

46. **Mr. Abebe** (Observer for Ethiopia) said that discussions during the forum on financing for development follow-up had often focused on obtaining private sector funding and ensuring it was channelled into sustainable development programmes at the national level. However, without a national strategy for promoting sustainable development and poverty reduction, countries would be incapable of harnessing

the benefits of development cooperation. His delegation would appreciate guidance on the link between establishing the right national policies and enhancing the impact of all types of sustainable development partnerships.

47. **Ms. Demers** (Founder and Chief Executive Officer of Boundless Impact Investing) said that public-private partnerships were an emerging form of funding that unleashed private capital for large infrastructure projects. Governments monitored or actually administered projects using private actors or their choice of best contractor. In many of the public-private partnerships she was familiar with, municipal bonds or other financing mechanisms were creatively employed to finance road construction, water infrastructure, storm water waste systems or other projects.

48. In another approach, hospital systems were built using private equity and eventually became public. She knew of a private equity firm whose investments in building hospital systems across Africa were growing so rapidly that it had not had to sacrifice profit. Moreover, as data science, machine learning and other ways of matching different types of interventions with private capital became easier, private capital could be moved to places that needed it most, resulting not only in public-private partnerships but also public-philanthropic or strategic partnerships. Other trends included blended finance, the democratization of finance (mobile-phones, e-commerce and e-payments), energy microgrids, and financing schemes for social and health services.

49. **Mr. Hanif** (Director, Financing for Sustainable Development Office, Department of Economic and Social Affairs) invited the panellists to share one key takeaway from the session.

50. **Ms. Ciuti** (Director General for International Cooperation, Ministry of Foreign Affairs and Worship of Argentina; and Chair, Intergovernmental Council of the Ibero-American Program for the Strengthening of South-South Cooperation) said that she wished to highlight the Ibero-American Program as an instrument for dialogue and determining how, with the help of OECD, different measurement mechanisms could find a common space. Her Program was currently looking at the African peer review mechanism, on which a very interesting presentation had been made at a major meeting on South-South cooperation, held in Johannesburg only the week before.

51. **Ms. Demers** (Founder and Chief Executive Officer of Boundless Impact Investing) said that capital could be a force for good but to achieve that, the financial services industry would have to be substantially reformed. Noting that corruption and greenwashing had even permeated philanthropy, she emphasized the need to continue building more transparent, data-driven ways of measuring outcomes in order to force truthfulness and better progress.

52. **Mr. Hamam** (Director, Office of the Special Adviser on Africa) said that under the African framework, partnership, cooperation and monitoring at three levels — country, regional and global — would facilitate the implementation of the two sustainable development Agendas and ensure the coherence of data on cross-cutting issues. Reliable, coherent and comprehensive data would not only improve monitoring but also identify gaps in moving forward.

53. **Mr. Malhotra** (Head of the Division for Reviews, Results, Evaluation and Development Innovation, Organization for Economic Cooperation and Development) said that the call to be bold and embody the kind of change inspired by the Sustainable Development Goals must be translated into effective means of reviewing and assessing progress towards their achievement, including in the context of the 2019 and 2020 meetings of the high-level political forum. He stressed the need for platforms to pool review and assessment mechanisms and encourage mutual accountability and learning across constituencies.

54. **Mr. Hanif** (Director, Financing for Sustainable Development Office, Department of Economic and Social Affairs) welcomed the newfound awareness of the need to deliver results on the ground and said that change was indeed happening. However, even if incentive structures and frameworks were adapting to the new reality, the pace of change was not yet where it should be. In a matter of 12 years, the international community would have to tell the world whether or not the Sustainable Development Goals had been achieved.

55. Regional, global and country-level forums should be brought together from time to time to further the exchange of information and ideas, mutual learning, and the implementation of global agreements — the 2030 Agenda, the Addis Ababa Action Agenda, and the Paris Agreement under the United Nations Framework Convention on Climate Change, to name a few — at the country, regional, and global levels.

Session 7: "The strategic role of development cooperation in building sustainable and resilient societies"

56. **Ms. Nicholls** (Director of Development Research, Development Policy Bureau, Global Affairs Canada), moderator, said that the discussion should focus on establishing concrete recommendations, which could influence the dialogue of forthcoming high-level

meetings. As a member of the Group of Seven (G-7), Canada would be hosting the first Development Ministers' Meeting since 2010 and the first-ever joint meeting of G-7 Development and Finance Ministers, offering opportunities to discuss the role of ODA in a policy-coherent manner, in relation to economic and financial issues. The G-7 would consider four priority areas: peaceful and secure societies, economic growth to benefit everyone, climate change, and gender equality and the empowerment of women and girls.

57. **Mr. Rahimi** (Deputy Minister of Economy, Afghanistan), panellist, said that the recent Afghanistan Living Conditions Survey showed that Afghans were living in a very challenging environment. Almost half the population was under 15 years of age, poverty had increased from 39 per cent in 2014 to 55 per cent in 2017, and food insecurity had increased from 30 per cent in 2012 to 45 per cent in 2017. Nonetheless, there had been improvements in access to education and health facilities, and in gender parity. International aid to Afghanistan had decreased from US$6.5 billion in 2010 to US$4.2 billion in 2015, and the country was highly donor-dependent. The previous year, two thirds of its budget had been financed by development assistance, with only 33 per cent financed by domestic revenue. Afghanistan additionally received "off-budget" assistance from United Nations agencies, non-governmental organizations and development partner agencies, primarily as small, scattered projects that were fragmented in nature. The size of those projects exceeded the capacity of Governments to properly monitor them; they were short-term; and they were implemented by many different agencies and institutions, raising transaction costs, and increasing long-term risks to development.

58. Development cooperation had undergone three phases. From 2002 to 2008, the Government and donors had been minimally aligned with the national programme. From 2008 to 2014, development assistance had been aligned with the national development strategy. The final phase had seen improved development cooperation efforts, despite the political and security transition. However, while some issues had been resolved, new challenges had arisen. The development cooperation agenda in Afghanistan would be a long process requiring constructive dialogue in order to overcome challenges.

59. **Ms. Ghartey** (Head of the United Nations Unit, Ministry of Finance and Economic Development, Ghana), panellist, emphasized the importance of international development cooperation to the attainment of the Sustainable Development Goals. The North had not delivered on the 0.7 per cent ODA target to help emerging economies with their development agendas. In 2007, total ODA had fallen as low as 0.3 per cent. The need for ODA to fund implementation of the 2030 Agenda should be emphasized during the high-level political forum on sustainable development. International development cooperation should be sustainable, resilient, and effectively coordinated with solid domestic development cooperation, which should include regulatory frameworks and strong institutions. The importance of development cooperation policies should be communicated to countries that did not yet have them in place; such policies should be aligned with countries' own development agenda frameworks and the 2030 Agenda. There should then be a communications strategy to enable countries to share successful policies.

60. South-South cooperation had changed since its origins: for example, some countries had become richer and were now able to part with funds. She asked whether such countries were expected to provide loans and grants under the traditional arrangement. At the Second High-level United Nations Conference on South-South Cooperation, the relevance of the principles governing South-South cooperation should be reassessed, and changed if necessary. The private sector was ready to form partnerships with Governments, but time was of the essence, and Governments must work quickly to establish their policies.

61. **Ms. Cederfelt** (Member of the Riksdag, Sweden), panellist, said that it was very important to discuss ways to implement the 2030 Agenda. Policies must include all people within a society, notably the most vulnerable groups, such as youth, women and the lesbian, gay, bisexual and transgender (LGBT) community. If all groups were not represented, it would be difficult for the whole of society to be factored into policies. There must also be a sense of accountability, to ensure that government decisions were implemented. Countries should ensure that their constitutions distributed power and held Governments responsible for their actions, separating parliament, government and institutions. How decisions were made and how resources were spent could thus be scrutinized, as the trust of the people was an important part of accountability. As elected representatives of the people, parliamentarians should also be involved in doing the work.

62. Regarding South-South and triangular cooperation, ownership by recipient countries would allow them to find solutions and ways of moving forward. An open society was essential for minimizing corruption, a poison that affected the entire population. If Governments wanted popular support, they must foster trust among the people. At the national and international levels, parliamentarians must build networks, share experiences, and receive support for

their legislative initiatives. Support for ensuring good practice, including for peer-to-peer undertakings at the international level, was also necessary.

63. **Ms. Tukamushaba** (Youth Representative, Ntungamo District Local Government, Uganda) said that in Uganda, the central Government carried out most of the development cooperation work through the Ministry of Finance. However, development cooperation should include local people, particularly young people, who best knew the issues affecting them. In Uganda, young people were the majority, but they were very vulnerable, with high levels of unemployment. The United Nations system should set up a dedicated youth fund to help young people develop practical skills and increase their employability. Development cooperation should be localized, as local councils had the best understanding of the issues of local people. Negative issues such as unemployment, people trafficking and involvement in crime were all associated with young people. In Uganda, young people were not considered capable of voicing issues concretely. Development cooperation could help form partnerships with countries and ministries to achieve more realistic and concrete goals towards a more valuable youth contribution.

64. **Ms. Vergara** (Ecuador) said that the fortieth anniversary of the Buenos Aires Plan of Action should inspire a deep and structured discussion on the role of international cooperation. South-South and North-South dialogues on cooperation should focus on the role of North-South cooperation in sustainable development and the implementation of the 2030 Agenda. Drawing attention to the case of Afghanistan, she asked about the role of cooperation in strengthening the capacity of less-developed countries to gradually take control of their development and stop depending on resources from international cooperation. She would appreciate more information on the role of middle-income countries such as Ecuador and on their future status in international cooperation. She called for further discussions on the graduation process, and on countries which continued to need a certain level of cooperation and strategic partnerships for development. Development cooperation should respect the principle of common but differentiated responsibilities. Everyone was responsible for the development and fulfilment of the 2030 Agenda; accordingly, multilateral commitments must be upheld, including the 0.7 per cent ODA target, which was vital for improving the quantity and quality of development cooperation.

65. **Ms. Mustafa** (Observer for the Inter-Parliamentary Union) said that the concept of development cooperation should be enshrined in the policies of all countries in a spirit of international responsibility, shielded from political preferences. The independence and sovereignty of countries requiring assistance must be protected; nothing should be imposed upon them. The Sustainable Development Goals were very important at the local level, as the local population was the reason they had been established. Diversity and the principle of inclusiveness meant that all sectors of society should be involved, notably women and youth. She called for a concerted international effort to establish measurement criteria and evaluation tools for development cooperation, in order to continue on the right path and to make implementation possible.

66. **Ms. Ghartey** (Head of the United Nations Unit, Ministry of Finance and Economic Development, Ghana) said that the treatment of middle-income countries upon graduation was unfair and counterproductive. After the figures changed in their favour, middle-income countries were left on their own, which often led to financial crisis. Two years previously, Ghana had called for a smooth transition strategy for middle-income countries, which she hoped to see better defined. Support must not be withdrawn solely because a country upgraded to middle-income status. The process should be gradual, allowing countries to find their feet and then start preparing to help others.

67. Global advances in technology should be promoted, notably, the establishment of the Technology Bank for the Least Developed Countries. All countries, especially emerging economies, should be encouraged to take advantage of the Technology Bank.

68. **Mr. Rahimi** (Deputy Minister of Economy, Afghanistan) said that respect for country ownership was crucial for sustainable development and for the realization of development cooperation efforts in recipient countries. A clear development cooperation policy and constructive discussions between the recipient country and international development partners were necessary to ensure common understanding. Afghanistan was struggling to shift development cooperation from small, scattered projects towards a more pragmatic approach. As development partners would not finance projects in their entirety, his country had established two trust funds: the Afghanistan Reconstruction Trust Fund and the Afghanistan Infrastructure Trust Fund, into which development partners could put their shares for use in larger national programmes. However, management of the trust funds by the World Bank rather than the Government brought new challenges. Constructive discussion and the creation of platforms for consensus-building between recipient countries and development partners were essential for addressing such ongoing issues.

69. **Ms. Cederfelt** (Member of the Riksdag, Sweden) said that national ownership was crucial, and reiterated the importance of having a constitution, and a sense of responsibility and inclusiveness. Gender parity in terms of rights and responsibility for actions was fundamental. Countries where girls had the same educational opportunities as boys saw increasing levels of development. International networking for Governments and parliamentarians, and ensuring a free and inclusive society were other ways of increasing development.

70. **Ms. Tukamushaba** (Youth Representative, Ntungamo District Local Government, Uganda) said that national ownership concerned not only high-level figures, but also local inhabitants. The best and only way to ensure the effectiveness of development cooperation was to involve all stakeholders in all countries.

Conclusion of the Development Cooperation Forum of the Council at its 2018 session

71. **Mr. Liu** Zhenmin (Under-Secretary-General for Economic and Social Affairs) said that the ambition, scope and integrated nature of the 2030 Agenda had brought new ways of thinking to the entire development cooperation architecture. It was necessary to take stock of progress in adjusting development cooperation, and to identify areas where further action was required to build sustainable and resilient societies. The main message from the previous two days was clear: the international community was on the right path towards aligning development cooperation with the 2030 Agenda, and understood the financial and non-financial breadth of development cooperation and the strategic importance of achieving the Sustainable Development Goals. However, it was important to adapt at a much swifter pace, and the session had provided some key messages and policy recommendations to that end.

72. ODA was vital for the poorest and most vulnerable countries; all stakeholders should hold themselves accountable to discussing specific steps to ensure their commitments in that regard were fulfilled. ODA should be allocated effectively, with more given to least developed countries and countries in special situations. Development cooperation must become more risk-informed and conflict-sensitive. Inclusiveness must be increased, with an emphasis on gender equality and the empowerment of women and girls. National development cooperation policies could be powerful in ensuring broad-based country ownership, and should be strengthened to engage civil society and the private sector. Partnerships worked best when building on existing capacities, inclusiveness, transparency, and prior planning and exchange. Specific measures were required to avoid the dilution or diversion of public resources needed to advance the 2030 Agenda. The principles of South-South cooperation remained pivotal; innovation and new ideas should be explored to heighten its impact. Policy and knowledge exchange through South-South and triangular cooperation could help countries in similar situations to make the right policy choices with a longer-term impact. The events of the fortieth anniversary of the Buenos Aires Plan of Action should reaffirm the principles of South-South cooperation and capture the emerging trends to involve all stakeholders.

73. Increasing scepticism in public institutions posed a real threat to fulfilling the 2030 Agenda. He asked how innovation and more focused action on participation and efforts in development cooperation could strengthen capacities and confidence in public institutions. The capacity constraints that remained in some of the poorest countries and communities should be considered with regard to domestic resource mobilization and statistical capacity. Monitoring and reviewing were essential to the achievement and improvement of results for greater impact, and for translating policies into strategies and action plans.

74. **Ms. Chatardova** (President of the Economic and Social Council) said that the Development Cooperation Forum had led to a clear call for a shift from old paradigms in terms of both rhetoric and action. Problem-solving was a collaborative and interactive process, and there was great scope for knowledge exchange. However, in a world where violent extremism was on the rise, civic space was shrinking and multilateralism was under attack, support for the public agenda could not be taken for granted. A stronger, evidence-based case must be put forward to show the need for an increase in development cooperation to ensure results for those furthest behind. There should be more direct engagement with people, and positive feedback loops should be established to lead to changes in policy and practice. The emphasis on participation, inclusiveness, and strengthening capacities and institutions during the Development Cooperation Forum would be discussed further at the special meeting entitled "Towards sustainable, resilient and inclusive societies through participation of all", and all views put forward in the Development Cooperation Forum would inform the meetings of the July 2018 meeting of the high-level political forum on sustainable development.

The meeting rose at 5.40 p.m.